



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P.O.Box 339
Honolulu, Hawaii 96809

May 27, 2009

Dear Community Care Foster Family Homes (CCFFHs) and Community Case Management Agencies:

The Department of Human Services (DHS) appreciates your interest in providing a community-based home for Medicaid and private-pay clients who might otherwise have to live in an institutional setting.

As you know, CCFFHs are very important for low-income Medicaid clients who, due to a lack of financial resources, have limited options for long-term care. When CCFFHs were originally created by State law, at least one of the two beds in a CCFFH had to be reserved for a Medicaid client and the second bed could be used by either another Medicaid client or a private-pay individual.

In 2006, the Legislature passed a DHS-sponsored bill, which became Hawaii Revised Statutes Section 346, Part XIV, allowing DHS to expand the maximum allowable capacity of a CCFFH from two to three beds, provided that two of those beds are reserved for Medicaid clients, meaning that no more than one bed could be occupied by a private-pay individual. This was done to both expand CCFFH capacity and to help preserve adequate space in long-term care residences for our neediest citizens on Medicaid who have the most limited options.

This letter is to inform you of: (1) a new vacancy/occupancy reporting requirement; and (2) a new law.

NEW VACANCY/OCCUPANCY REPORTING REQUIREMENT FOR CCFFHs

In June 2009, DHS will be providing a new service to you and the community by **posting CCFFHs vacancies/occupancies on our DHS website**. In order to do this, we are requiring CCFFHs to use the enclosed form to report vacancies and occupancies beginning June 1, 2009. **The enclosed form must be faxed to Community Ties of America (CTA) within 24 hours whenever a bed at a CCFFH becomes vacant or occupied.** CTA will forward the information to DHS weekly for posting on our DHS website.

A NEW LAW FOR CCFFH's PRIVATE-PAY OCCUPANCIES

Act 13, Session Laws of Hawaii (SLH) 2009, signed by Governor Linda Lingle, effective April 22, 2009, allows DHS to establish and implement a two-year demonstration project for **two private-pay individuals under certain limited circumstances** to occupy the same CCFFH. This two-year demonstration project will end on April 22, 2011.

If you wish to participate in the Act 13, SLH 2009 Demonstration Project, **all of the following six conditions must be met:**

1. The CCFFH must be certified for three beds.
2. All three-bed CCFFHs must notify in writing CTA, as DHS designee, of

any vacancy or occupancy as soon as it occurs. CCFFHs must use the same enclosed form to report vacancies/occupancies to CTA as CCFFHs are now required to do within 24 hours whenever a bed at a CCFFH becomes vacant or occupied.

3. The vacancy in the third bed must have existed for at least **six consecutive months**. (See ***NOTE** below for a limited waiver of this Condition #3.)
4. The two private-pay individuals are in a relationship with each other as:
 - a. A married couple **or**
 - b. Reciprocal beneficiaries **or**
 - c. Siblings **or**
 - d. A parent and a child **or**
 - e. Best friends.
5. One member of the private-pay couple has been in the CCFFHs for **at least the five preceding consecutive years**.
6. Certified medical documentation is provided to CTA that the member of the private-pay couple who has been residing in the CCFFH for the preceding five years has a current medical condition that prevents that individual from being moved out of that CCFFH into another CCFFH or other options.

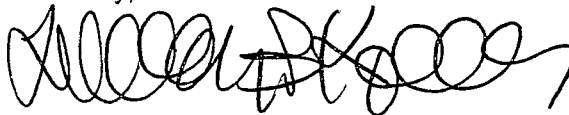
***NOTE:** DHS may waive the six-month requirement in Condition #3 above, if and only if, there has been at least three vacant beds for Medicaid clients at other CCFFHs every day of the month for a consecutive six-month period, within a 30-minute drive on Oahu or a 60-minute drive on any other Island.

In order to verify information for a waiver, the CCFFH applying for two private-pay individuals must submit to CTA written documentation from three other CCFFHs that each of them has had a vacancy for Medicaid clients every day of the month for the preceding consecutive six months. CTA will attempt to verify these vacancies with case managers and through other available means.

Please remember that, as always, disclosing full and complete information regarding business practices is a requirement in your DHS Provider Agreement, and any violations will be reported to the Medicaid Fraud Control Unit in the Attorney General's Office.

Thank you again for providing a valuable service in our State. If you should have any questions, please contact Sandra Joy Eastlack, Adult and Community Care Services Branch (ACCSB), Program Specialist, at 587-4362.

Sincerely,



Lillian B. Koller
Director

Enclosure

c: ACCSB
Community Ties of America